

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of Covad Communications  
Company's Petition for Arbitration of  
Interconnection Agreement with Roseville  
Telephone Company.

Application 00-01-012

**ADMINISTRATIVE LAW JUDGE'S RULING  
REQUESTING COMMENTS ON CLOSURE OF PROCEEDING**

In January 2000, Covad Communications Company (Covad), a competitive local carrier and digital subscriber line (DSL) provider, filed a petition for arbitration of an interconnection agreement between Covad and Roseville Telephone Company (Roseville). At issue was the determination of Roseville's forward-looking costs in order to calculate prices for unbundled network elements (UNEs) that Covad purchased from Roseville.

In Decision (D.) 00-06-080, the Commission resolved the arbitration by accepting Roseville's proposed UNE prices. Covad applied for rehearing of that decision, contending that the UNE prices approved by the Commission did not comply with the requirements of the Telecommunications Act of 1996, nor with regulations of the Federal Communications Commission. In its decision resolving Covad's rehearing request, the Commission found that Covad had established legal error in D.00-06-080. (*See* D.01-02-042.) The Commission granted rehearing to set UNE prices for Roseville and on an interim basis set temporary UNE prices based on a proxy and subject to true up. In compliance

with D.01-02-042, Roseville currently charges for its UNEs based on Pacific Bell Telephone Company's (SBC Pacific's) UNE rates.<sup>1</sup>

In March 2001, the Commission held a prehearing conference to set a schedule for proceedings to consider final UNE prices for Roseville. On May 25, 2001, Roseville filed a proposed cost study methodology and schedule for the proceeding, as directed by the Administrative Law Judge (ALJ). Roseville estimated it could complete a total element long run incremental cost (TELRIC) study of its forward-looking UNE costs in six months. Shortly thereafter, Covad withdrew from the proceeding without commenting on Roseville's proposal. (*See* Covad's letter to the ALJ, dated 6/11/01.)

Given that Covad, the initial applicant in this case, has withdrawn from this proceeding, it is my preference to write an order closing this proceeding and directing Roseville to file a TELRIC cost study with proposed UNE prices through a new application. The order would clarify that Roseville's interim rates established in D.01-02-042 would remain in place until further action by the Commission and would remain subject to true up. It also appears likely that the Commission will not consider UNE prices for Roseville until it completes its current reexamination of UNE prices for SBC Pacific. (*See* Application 01-02-024 and consolidated cases, "SBC Pacific UNE Reexamination".) This will allow the Commission the option of using the expertise it has gained in the SBC Pacific case in evaluating UNE costs and prices for Roseville. Therefore, the order closing this proceeding would direct that any new application by Roseville be

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<sup>1</sup> Roseville's UNE loop price is based on SBC Pacific's Zone 2 local loop price. (*See* D.01-02-042, Ordering Paragraph 2.) Roseville's other UNE prices are based on SBC Pacific's UNE prices as set in D.99-11-050. (*Id.*, Ordering Paragraph 3.)

filed no sooner than six months following a Commission order in the SBC Pacific UNE Reexamination. The order would allow Roseville to use either the method contained in its May 25, 2001 proposal or to revise that method based on the outcome of the SBC Pacific UNE Reexamination.

Therefore, **IT IS RULED** that parties shall file comments no later than 14 days from the date of this ruling expressing their views on the proposed order described in this ruling.

Dated June 11, 2003, at San Francisco, California.

/s/ DOROTHY J. DUDA

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Dorothy J. Duda  
Administrative Law Judge

**CERTIFICATE OF SERVICE**

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Requesting Comments on Closure of Proceeding on all parties of record in this proceeding or their attorneys of record.

Dated June 11, 2003, at San Francisco, California.

/s/ ELIZABETH LEWIS

Elizabeth Lewis

**N O T I C E**

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

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A.00-01-012 DOT/hl2

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